

of poverty and given the opportunity to achieve their fullest potential. Welfare rolls have been reduced by more than 60 percent nationally, and by more than 50 percent in my home State of Montana.

There are those who argued 7 years ago that reforming welfare would put children out on the street. History has proven them wrong, and they are wrong now to use the same negative rhetoric. Welfare reform is about reawakening the spirit of the American family that has only known the disappointment of a government handout. Congress must act to keep the American entrepreneurial spirit alive, to invest in our children's future, and to secure the social and economic backbone of the great American experiment in democracy. I urge Members to vote yes on welfare reform.

CORPORATE TRAITORS CHOOSE PROFITS OVER PATRIOTISM

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I want to call attention this morning to Bermuda, and the practice of American companies reincorporating to a foreign country to avoid paying U.S. income taxes, which is inconsistent with American corporate citizenship, patriotism, and unfair to those individuals and businesses who pay their fair share in taxes.

To address this problem of corporate inversions, the gentleman from Connecticut (Mr. MALONEY) and I have introduced H.R. 3884, the Corporate Patriot Enforcement Act.

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This legislation currently has 50 bipartisan cosponsors, and support for it continues to grow as Members and citizens alike become aware of what is happening.

Senator BAUCUS and Senator GRASSLEY have also introduced similar legislation and the Treasury Department acknowledges it has become a huge problem.

Mr. Speaker, since H.R. 3884 was introduced on March 6, a number of companies such as the all-American Stanley Tools Company of New Britain, Connecticut, have filed to reincorporate overseas. So, they just get a phony address and they avoid paying corporate income taxes that the rest of their competitors all have to pay.

The impetus for my support of this issue did not come from the AFL-CIO; it came from the competitors of these corporate expatriates who are saying, "If we paid, they ought to pay." In this time, with the country feeling so good in the aftermath of September 11 by our patriotic response, everybody should do their part. Bermuda ought not to be an address for these companies; America should.

SUPPORT WELFARE REFORM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, helping the American people is why many of us ran for Congress. I think life is getting better in America every day, but there are still people who are having a tough time making ends meet. We need to help as many of those people who are truly in need as we can. I think the welfare reform bill we have before us today will help those people by giving them the tools they need to make their dreams become a reality.

Since 1994, welfare caseloads have fallen by 9 million. Today, only about 2 percent of the population of the United States is on welfare. With this bill, we can reduce this number even further by helping people become productive. As a body, I believe we need to do what is best for this great country. Voting for this bill is a vote for a better and stronger Nation.

Mr. Speaker, I urge my colleagues who supported the successful 1996 bill to keep up the good work and vote for this landmark reform legislation, and I urge those who voted "no" last time to take another look. You cannot argue with success. Let us put our people before politics. Vote "yes" for H.R. 4700, the Personal Responsibility, Work, and Family Promotion Act of 2002.

CORPORATE EXPATRIATION

(Mr. MALONEY of Connecticut asked and was given permission to address the House for 1 minute.)

Mr. MALONEY of Connecticut. Mr. Speaker, in September, Stanley Works of New Britain, Connecticut, announced that it was closing its hardware manufacturing facility and moving it to China. In February, Stanley Works announced that its board had approved a plan to modify its corporate structure to reincorporate in Bermuda. Last week, a shareholder vote approving this expatriation was effectively invalidated due to improper proxy procedures. A new shareholder vote will have to be scheduled.

Corporate expatriates are former U.S. companies who set up paper headquarters in tax havens in order to avoid U.S. taxes. Stanley intends to use a third country with which we have a tax treaty in order to avoid virtually all U.S. taxes, including on products made and sold here in the United States. In fact, such expatriates continue to reside in the United States, take advantage of our education system, our public utility systems and, of course, our national defense. In this time of war, they are saying, Thank you but we aren't going to pay our fair share.

This is outrageous. Congress must act expeditiously to close this loophole and stop this unpatriotic tax dodge. The gentleman from Massachusetts

(Mr. NEAL) and I have introduced legislation to do exactly that. I call on this House to take the appropriate action and pass this legislation promptly.

SUPPORT WELFARE REFORM

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, 6 years ago we took a welfare system that nobody thought could be fixed and put it to work. The results have been overwhelming. Welfare reform lifted nearly 3 million children from poverty and 9 million people left the welfare rolls altogether.

Republicans led a welfare reform effort that has proved successful in replacing welfare checks with paychecks. We created a system that fostered independence, boosted personal income, and improved the well-being of children. By promoting work, recipients were encouraged to join the workforce. By redefining compassion, welfare recipients were given a new sense of hope. By passing welfare legislation, people were guided down the path of independence.

We must guard against those who want to erode the progress that we have made, especially on so important an issue as changing the culture to promote strong families and a strong work ethic. Join me today and vote for H.R. 4700.

CLOSING LOOPHOLE FOR CORPORATE TAX DODGING

(Ms. HOOLEY of Oregon asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HOOLEY of Oregon. Mr. Speaker, what a year it has been. We now have proof that Enron was manipulating West Coast energy prices to simply gouge consumers of their hard-earned money while its auditor, Arthur Andersen, took the term "cooking the books" to a whole new level. We have also learned how Fortune 500 companies take out life insurance policies on their rank-and-file employees to enhance compensation for senior executives.

Speaking of corporate tax avoidance, try and keep a straight face when you tell your constituents that it is perfectly legal for a company to rent a post office in Bermuda and avoid paying taxes. This is utterly ridiculous. One of the effects of corporations not paying their taxes is that we cannot give seniors and working families a prescription drug benefit, or that we cannot fund the President's education bill or hire more cops. Moreover, we are in the middle of a war, and we are effectively permitting U.S. companies to place a higher value on earnings than on patriotism.

Mr. Speaker, it is time to close this loophole. It is time to crack down on tax evasion. I urge my colleagues to co-sponsor H.R. 3884.